GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:1958
ANSWERED ON:15.03.2002
TRADE DEFICIT
N.N. KRISHNADAS

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether India`s export witnessed a negative growth during the current year;

(b) if so, the facts in this regard;

(c) the reasons for such negative export growth;

(d) whether as a result of negative export growth India`s trade deficit has also increased during the above period;

(e) if so, the details of India`s trade deficit during April - December, 2001 in terms of Dollar and Rupee; and

(f) the specific plan of the Government to avoid such trend in future?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY)

(a) to (e) : No, Sir. As per the latest available data from Directorate General of Commercial Intelligence & Statistic (DGCI&S), Calcutta, India`s exports of merchandise goods during April-January, 2001-2002 are valued at US $ 36.526billion which is 1.56% higher than the level of US $ 35.963 billion during April-January, 2000-01. Exports, during the month of January 2002, recorded a rise of 18.18% in dollar terms as compared to the exports of January, 2001. The trade deficit during April-December, 2001 in dollar terms was US $ (-)5790 million and in rupee term was Rs. (-) 27308 crores.

(f) : Export promotion continues to be a major thrust area. Several measures to boost exports have been undertaken in order to provide competitive edge to the Indian goods in the International market. Some of the recent measures taken to promote exports include reduction in the export credit rate for both pre-shipment and post-shipment, special financial package to manufacturer exporters with an export contract of Rs. 100 crore or above for a period of one year, extension of normal repatriation period from 180 days to 360 days for exports for a period of one year and upward revision of duty draw back rates on a number of product groups. All this and other factors have helped to arrest the declining trend in exports experienced during the early part of the current financial year. Further, taking Stock of the developments in the recent past and considering the current global economic environment, the Medium Term Export Strategy for the period 2002-2007 has been announced.